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**Sent:** Wed 9/3/2014 3:30:10 PM  
**Subject:** EPA Press Release: United States settles with Costco to cut ozone-depleting and greenhouse  
gas refrigerant emissions nationwide

Dear Colleagues:

The following press release is being issued today by the EPA Region 9 press office. If you have questions or need any additional information, please give me a call.

Regards,

Suzanne Skadowski

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## **United States settles with Costco to cut ozone-depleting and greenhouse gas refrigerant emissions nationwide**

**SAN FRANCISCO** – Costco Wholesale Corporation, one of the nation’s largest retailers, has agreed to cut its emissions of ozone-depleting and greenhouse gases from leaking refrigeration equipment at more than half of its stores nationwide.

In the settlement announced today by the U.S. Environmental Protection Agency and U.S. Department of Justice, Costco will pay \$335,000 in penalties for federal Clean Air Act violations and will fix refrigerant leaks and make other improvements at 274 of its stores, which EPA estimates will cost about \$2 million over the next three years.

“Because of this settlement, Costco will cut its future greenhouse gas emissions equivalent to nearly 200 million pounds of carbon dioxide, supporting our efforts to cut greenhouse gases nationwide,” said Jared Blumenfeld, EPA’s Regional Administrator for the Pacific Southwest. “Investing in better equipment and maintenance to stop wasteful refrigerant leaks is good for our environment and good for business.”

“Compliance with the nation’s Clean Air Act is key to protecting all Americans from air pollution that damages our atmosphere and changes our climate,” said Sam Hirsch, Acting Assistant Attorney General for the Justice Department’s Environment and Natural Resources

Division. “Industry needs to lead the way in abandoning harmful chemicals in favor of using and developing greener, environmentally friendly alternatives to protect our health and our climate.”

Costco violated the Clean Air Act by failing to promptly repair refrigeration equipment leaks of the refrigerant R-22, a powerful ozone-depleting hydrochlorofluorocarbon, between 2004 and 2007. Costco also failed to keep adequate records of the servicing of its refrigeration equipment to prevent harmful leaks. Destroying the ozone layer results in dangerous amounts of cancer-causing ultraviolet solar radiation striking the earth, increasing skin cancers and cataracts. R-22 is also a potent greenhouse gas with 1,800 times more global warming potential than carbon dioxide or CO<sub>2</sub>.

The settlement requires Costco to retrofit or replace commercial refrigeration equipment at 30 of its stores to reduce ozone-depleting and greenhouse gas emissions. Costco must also implement a refrigerant management system to prevent and repair coolant leaks and reduce its corporate-wide average leak rate at least 20 percent by 2017. In addition, Costco will install and operate environmentally friendly glycol refrigeration systems and centrally monitored refrigerant leak detection systems at all new stores.

Today’s settlement is part of EPA’s national enforcement initiative to control harmful air pollution from the largest sources of emissions. The Clean Air Act requires owners or operators of commercial refrigeration equipment that use over 50 pounds of ozone-depleting refrigerants and have an annual leak rate over 35 percent to repair all leaks within 30 days.

Corporate commitments to reduce emissions from refrigeration systems have been increasing in recent years. EPA’s GreenChill Partnership with food retailers reduces refrigerant emissions and decreases their impact on the ozone layer and climate change by transitioning to environmentally friendlier refrigerants, using less refrigerant and eliminating l

eaks, and adopting green refrigeration technologies.

Costco, headquartered in Issaquah, Wash., operates 466 stores in the U.S. and additional stores worldwide, with revenues of \$105.2 billion in 2013. Today’s settlement covers 274 Costco stores with regulated commercial refrigeration equipment, including 67 stores in California, 14 in Arizona, 5 in Nevada, and 4 in Hawaii.

The proposed settlement is subject to a 30-day public comment period and final court approval.

Read the proposed settlement at: [http://www.usdoj.gov/enrd/Consent\\_Decrees.html](http://www.usdoj.gov/enrd/Consent_Decrees.html)

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